

Department of Social Services
Payment Methodologies for Medicaid Providers
Interim Study 2016

1. While children make up 68% of the eligibles, what percentage of the total Medicaid expenditures for all agencies are they?

While children were 68% of the total eligibles, they represented only 35% of total expenditures for all agencies in SFY15.

2. How does South Dakota's generic utilization rate compare nationally?

South Dakota's generic utilization was 85.2% in May 2016. The most recent national data for Medicaid shows an 80% generic utilization rate and Medicare's most recent national data shows a 76.3% generic utilization rate.

3. Can you provide us with a comparison the last few years of how your projected eligibles compare to actuals?

Medical Services average monthly eligibles			
	Appropriated	Actual	
SFY13	116,536	116,128	
SFY14	114,903	115,328	
SFY15	116,736	117,346	
SFY16	118,614	118,674	

4. How do FQHC encounter rates compare to Medicare?

South Dakota's average FQHC rate is \$155 per day compared to Medicare's rate of \$160.60 per day.

5. Can you clarify if air ambulance providers can bill a patient if the provider doesn't accept Medicaid? Can the provider enroll after they provide the service?

Medicaid can't require providers to enroll. If they are enrolled and accept Medicaid, balance billing the patient is federally prohibited by 42 CFR 447.15 and is also prohibited under Administrative Rule of South Dakota 67:16:01:07 <http://sdlegislature.gov/Rules/DisplayRule.aspx?Rule=67:16:01:07>. Our Medicaid Provider Agreement also prohibits balance billing under 7.f (see page 3 of the new provider agreement attached). If a provider is not already enrolled, they can enroll and bill up to six months after the transport.

6. How does South Dakota's average case mix of 1.17 compare nationally?
The most recent national data available for 2010 indicates a national average case mix of 1.03.
7. Can you provide specific examples of what is included in the direct care component of the rate and the non direct component of the rate?

The direct care component of the rate includes salary and benefits for direct care staff including nurses, nurse aids, occupational, physical, and speech therapists, etc. and supplies used for direct patient care such as dressings, gauze, etc.

The non-direct component of the rate includes administrative expenses including administrative staff and general supplies, operational costs including utilities, furniture, equipment and supplies, maintenance staff insurance, building and equipment depreciation.